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S E C R E T SECTION 01 OF 04 CANBERRA 000179

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TAGS: OVIP GATES ROBERT OVIP NEGROPONTE JOHN PARM
MOPS, KNNP, MARR, PREL, AS
SUBJECT: AUSMIN 2008: SESSION III (TURKEY,
NONPROLIFERATION/ARMS CONTROL, REGIONAL ARCHITECTURE,
SOUTHEAST ASIA, PACIFIC ISLANDS AND NEW ZEALAND)

Classified By: Ambassador Robert D. McCallum, Jr., for reasons 1.4 (b), (d).

11. (U) February 23, 2008; Parliament House, Canberra, Australia.

### SUMMARY

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12. (S) The third session of the U.S.-Australia Ministerial (AUSMIN) consultations included a brief update from the U.S. on the Turkish incursion into northern Iraq and the status of prospects for further progress in the arms control and nonproliferation areas. Discussion focused mostly on Southeast Asia and Oceania, however, including on the need for a more effective, inclusive regional security architecture. Key points that emerged from the Australian foreign and defense ministers included: 1) Australia's interest in developing regional mechanisms to curb small arms in the Pacific region; 2) reiteration of the GOA's strong desire to be included in any regional security framework emerging from the Six-Party Talks; 3) commitment by the new Australian government to the Trilateral Strategic Dialogue, but not to a Quadrilateral Dialogue with India; 4) ongoing concern about terrorism and stability in southern Thailand and the Philippines, in contrast to Australia's success in its counterterrorism cooperation with Indonesia; and 4) appreciation for the U.S. decision to expand intelligence sharing with New Zealand. This is the third of four cables reporting on AUSMIN 2008. End summary.

#### 13. (U) Participants:

UNITED STATES
Secretary of Defense Robert M. Gates

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Deputy Secretary of State John D. Negroponte Ambassador Robert D. McCallum, Jr.

Admiral Mike Mullen, Chairman of the Joint Chiefs of Staff Admiral Timothy J. Keating, Commander, U.S. Pacific Command Acting Assistant Secretary for Political-Military Affairs Stephen Mull

Assistant Secretary of Defense for Asian & Pacific Security Affairs James Shinn

Principal Deputy Assistant Secretary for East Asian & Pacific Affairs Glyn Davies

Tim Davis, Carol Hanlon, Aleisha Woodward, John Crowley, Jessica Powers (Notetakers)

#### AUSTRALIA

Minister for Foreign Affairs Stephen Smith

Minister for Defence Joel Fitzgibbon

Michael L, Estrange, Secretary of the Department of Foreign Affairs and Trade

Nick Warner, Secretary of the Department of Defence Air Chief Marshall Angus Houston, Chief of the Defence Force Duncan Lewis, Deputy Secretary of the Department of Prime Minister and Cabinet

Peter Varghese, Director General of the Office of National Assessments

Dennis Richardson, Australian Ambassador to the United States Berenice Owen-Jones, Alistair McEachern, Alanna Mackay, Antony Horrocks, Marina Tsirbas, Amanda Pickrell, John QAntony Horrocks, Marina Tsirbas, Amanda Pickrell, John Feakes, Peter West (notetakers).

# Turkish Incursion into Iraq

14. (C) At Australia's request, Secretary Gates briefed on current Turkish incursions into Iraq, disputing media claims of approximately 10,000 Turkish soldiers crossing the border

CANBERRA 00000179 002 OF 004

as closer to one-third of that number. The question, Gates said, is whether Turkey can target precisely enough to minimize civilian casualties. In addition, such border crossings would only work for the short term, and the underlying causes of problems needed to be dealt with. Deputy Secretary Negroponte opined the Turks may be trying to play one Kurdish faction against another and the Turks really need to come to terms with Kurdish President Barzani.

# Arms Control and Non-Proliferation

- 15. (C) FM Smith began the discussion by explaining the Rudd government came to power committed to do more through multilateral fora such as the United Nations, but his two days in New York in January 2008 convinced Smith any change at the UN is glacial and there is currently no enthusiasm at the UN for disarmament issues. He indicated Australia is looking into regional mechanisms to reduce small arms in the Pacific region, and asked for ideas on what Australia can do further to encourage disarmament and non-proliferation.
- 16. (C) In response to Smith's inquiry into the possibility of further nuclear weapons reductions agreements between the United States and Russia, Secretary Gates informed the Australians we would like to achieve a nuclear reductions agreement with Russia before President Putin leaves office in May 2008; if the two Presidents could agree, it could be done quickly. While the United States had originally refused to consider a legally binding treaty, as Russia preferred, the U.S. is now willing to consider such a treaty as long as it was modeled on the Moscow agreement (shorter and simpler) rather than the phonebook-sized START agreement. However, issues remain, such as how to count nuclear warheads; the Russians want to count all warheads, while we would prefer to limit it to deployed warheads.
- 17. (C) Acting A/S Mull thanked the Australians for their

collaboration on the Proliferation Security Initiative (PSI), noting this summer will be the fifth anniversary of the initiative, which now includes 85 countries. In response to Mull's concern that not many Southeast Asian countries have signed onto PSI, Smith opined the reluctance results from concerns about China. Smith expressed appreciation for U.S. cooperation on MANPADS, and Mull expressed appreciation for Australia's attempts to "introduce realism" into the Oslo Process on cluster munitions. Mull requested continued Australian assistance in working to move the issue back to the CCW.

Q-----Regional Architecture

18. (C) Deputy Secretary Negroponte argued the fundamental problem with Asian regional architecture is, while there are different fora for different purposes with overlapping and competing agenda, there simply are not effective regional fora for political and political/military discussions like Europe has developed. Secretary L'Estrange asserted different regional powers backing different organizations (United States and Australia focusing on APEC, China on ASEAN 3, and Japan the EAS) exacerbated the problem, especially since APEC is focused on economic rather than security issues and limited by the fact that both Taiwan and China are members. DG Varghese contended the greatest risk is China, which has an obvious agenda, would push the development of the ASEAN 3 faster than other organizations, to the detriment of United States' and Australia's interests.

CANBERRA 00000179 003 OF 004

- L'Estrange also shared the Australian position that any "plus" to the ASEAN Defense Ministers' Forum should be limited to ASEAN nations' traditional security partners.
- 19. (C) FM Smith, who called current regional architecture confusing and confused, opined there is a real need for one organization to include the United States, Australia, India, China, Japan, Korea, and Russia, hinting India should be included in APEC. At the same time, Smith was certain there was "no future" for the U.S.-Australia-Japan-India Quad, for which, Smith claimed, there was now little enthusiasm in Tokyo or New Delhi. On the other hand, Smith said Australia remains firmly committed to pursuing the U.S.-Australia-Japan Trilateral Strategic Dialogue at both senior officials' and ministerial levels.
- 110. (C) Smith reiterated Australia's desire to be part of any security framework growing out of the Six-Party Talks (6PT) process. Negroponte acknowledged Australia's interest, but indicated any 6PT successor would depend on progress in denuclearizing and perhaps even restoring peace to the Korean Peninsula. Ambassador Richardson shared a conversation he had had with former State Department Counselor Phillip Zelikow, in which Zelikow asked Richardson why Australia is so interested in Northeast Asia and not as keenly interested in the Middle East when the two regions are geographically equidistant from Australia. Richardson opined the near invasion by Japan during WWII made Northeast Asia psychologically much closer to Asia than actual distance belies.

Southeast Asia

111. (S) FM Smith outlined Australia's efforts to deepen the Australia-Indonesia relationship, which, while good, needs to move beyond simply government to government to people to people. Air Chief Marshal Houston agreed Australia's mil-mil relationship with Indonesia was good, citing in particular the "spectacular success" the two countries have had together in destroying the operational capability of Jemaah Islamiah

- (JI), efforts to cut supply lines to terrorist training camps, and achievements through the Jakarta Centre for Law Enforcement Cooperation (JCLEC). Secretary L'Estrange opined the Indonesian president's position is institutionally weak, while DG Varghese commented Australian intelligence analysts complain Indonesia has become boring and the prospect of Indonesia returning to military rule is very low.
- 112. (C) Although Air Chief Marshal Houston said the Australia-Malaysia mil-mil relationship was good, in large part due to the multilateral confidence building arrangement Qpart due to the multilateral confidence building arrangement with Singapore, Malaysia, New Zealand, the UK, and Australia, Smith claimed Australia could do better with Malaysia and Singapore. (No additional details on how or why were discussed.)
- 113. (S) ASD Shinn thanked Australia for the valuable intelligence received on events in the Philippines and described Ambassador Kristie Kenney as "a powerful tool" in U.S. work there. Smith indicated Australia is concerned about counterterrorism and stability in the Philippines and southern Thailand. Varghese echoed: Thailand will "go through a rough patch" when the King dies.
- 114. (C) Both sides agreed to continue supporting UN Special Envoy Gambari in his efforts in Burma, commenting we would all like to see more progress. Smith singled out China as one who should do more, while Negroponte argued ASEAN should

CANBERRA 00000179 004 OF 004

take action instead of just talking about the issue. Shinn argued actions taken by the U.S. and Australian Treasury Departments was beginning to have an impact.

115. (S) Deputy Secretary Negroponte emphasized the United States' reliance on Australia for analysis of events in Southeast Asia.

## Pacific Islands and New Zealand

- 116. (S) FM Smith indicated Australia has much better relations with Papua New Guinea (PNG) and the Solomon Islands (SI) than just a few months ago, with "a genuine feeling of a fresh approach." Smith also shared his sense that PNG and SI are keen to do something on Fiji. Secretary L'Estrange argued the Pacific Islands Forum (PIF) would not fracture over Fiji at this point, saying "If it was going to, it would have last year. It won't crack now." PDAS Davies briefed on his upcoming visit to Fiji, indicating his primary message would be one of support for the PIF and insistence that interim PM Bainimarama live up to his commitment to hold elections by March 2009. DG Varghese shared Australia's analysis that land forces in Fiji are not yet prepared to move against Bainimarama and opined the current coup has a much smaller support base (Indo-Fijians, Bainimarama, and the Mara family) than previous coups.
- 117. (S) Smith emphasized the crucial role New Zealand plays in the Pacific: "If we are to succeed Australia and New Zealand have to be in lock step." Fortunately, he said, they are at one on all the key issues. In this context, Smith expressed appreciation for the recent U.S. decisions to expand intelligence sharing with New Zealand. While this was important to New Zealand, it would also benefit Australia and New Zealand as they fulfill their responsibilities in the Pacific.
- $\P 18.$  (U) Secretary Gates, PM Acting Assistant Secretary Mull, and EAP Principal Deputy Assistant Secretary Davies cleared on this cable.